

REMARKS

Applicant hereby adds new claims 32-40. Accordingly, claims 1-40 are pending in the present application.

Claims 1 and 8 stand rejected under 35 USC 101. Claims 1-31 stand rejected under 35 USC 112, second paragraph, for indefiniteness. Claims 1-3 stand rejected under 35 USC 102(b) for anticipation by LaMacchia, SPAM!. Claim 31 stands rejected under 35 USC 102(b) for anticipation by U.S. Patent No. 4,974,878 to Josephson. Claims 1-31 stand rejected under 35 USC 103 for obviousness over LaMacchia, SPAM!.

Applicant respectfully traverses the rejections and urges allowance of the present application.

Referring initially to the 35 USC 101 rejections, Applicant respectfully submits the Office has failed to establish claims 1 and 8 are directed to non-statutory subject matter and submits such claims do in fact recite statutory subject matter.

At page 2 of the Action, the Office alleges that claims 1 and 8 fail to include technology in the body of the claims. Applicant respectfully disagrees. Claim 1 positively recites accepting an electronic mail if the electronic mail comprises the check. Clearly, emails and accepting of emails recite "technology" in claim 1. Claim 8 recites specifying a requirement for a predetermined value to be attached to a communication and evaluating the communication in response to the attached predetermined value. Communications and evaluation of communications are also clearly directed towards technology. Accordingly, Applicant respectfully submit the unsupported cursory allegations as to the claims not reciting technology are in error as is understood by those of skill in the art and Applicant requests clarification of any maintained 101 rejection and the authority relied upon by the Office in a *non-final action* so Applicant may appropriately respond.

Applicant also respectfully requests clarification of the allegation that the claims "read on the specification step." Applicant is unsure of the position of the Office in this regard or how such allegedly renders the claims 1 and 8 as non-statutory subject matter. Additionally, Applicant is not precluded from claiming conditional method steps and the Office has failed to recite any authority in support of the position that such renders the claims nonstatutory.

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To the contrary of the unsupported allegations of the Office, Applicants respectfully submit the Office is in error with respect to the 101 rejections and the precedent set by the Court of Appeals for the Federal Circuit makes clear the subject claims recite statutory subject matter.

Initially, Applicants refer the Office to the holdings of *In re State Street*, 47 USPQ2d 159 (Fed. Cir. 1998) and *In re AT&T*, 50 USPQ2d 1447 (Fed. Cir. 1999). Further, 35 USC 101 states any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, is patentable. As recognized by the *State Street* court, the repetitive use of the term "any" in section 101 shows *Congress's intent not to place any restrictions on the subject matter for which a patent may be obtained beyond those specifically recited in section 101*. The court further stated that it is improper to read limitations into section 101 on the subject matter that may be patented where the legislative history indicates that Congress clearly did not intend such limitations. *See State Street*, 47 USPQ2d at 1600.

The Federal Circuit has stated in the above-recited opinions that claims directed toward a useful, concrete or tangible thing or result recite statutory subject matter. *In re Alappat*, 33 F.3d at 1526, 31 USPQ2d 1545 (Fed. Cir. 1994) requires examination of the claims to determine whether the claimed subject matter as a whole is a disembodied mathematical concept representing nothing more than a law of nature or an abstract idea (non-statutory), or if the mathematical concept has been reduced to some practical application rendering it useful (statutory). *In re Alappat*, 31 USPQ2d at 1544. The claims 1 and 8 clearly recite a practical application of a useful condition which if satisfied results in a useful application (i.e., accepting the electronic mail in claim 1 or the evaluating the communication recited in claim 8).

Here, Applicants' claims are clearly not merely reciting an abstract idea but rather recite practical applications which are useful, concrete and tangible results (i.e., accepting of claim 1 or evaluating of claim 8) which are held to recite statutory subject matter. Applicants submit that abstract ideas are defined in *AT&T* as *mathematical subject matter which stands alone and which has not been reduced to some type of practical application*. *AT&T*, 50 USPQ2d at 1451. Applicants submit that in view of the above, the subject matter of claims 1 and 8 of

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the present application are not mathematical subject matter which stand alone but rather have clearly been reduced to practical applications which are useful.

Applicant respectfully requests that the Office clarify any continuing 101 rejections in a non-final Action so Applicant may appropriately respond. In particular, the Office has made bald allegations which are not supported by any authority. Lacking proper authority to reject claims 1 and 8 under 35 USC 101, the pending Office Action clearly fails the regulatory mandate of 37 CFR 1.104(b) that "the examiner's action will be complete as to all matters." Moreover, MPEP §706.07 (8th ed., revision no. 2) states that "the examiner should never lose sight of the fact that in every case the applicant is entitled to a full and fair hearing, and that a clear issue between applicant and examiner should be developed, if possible, before appeal" (emphasis added). Without providing a non-final office action to provide Applicant with an opportunity to argue against a subsequently provided non-statutory rationale, Applicant would be denied a full and fair hearing and denied an opportunity to develop a clear issue with the Examiner. Accordingly, identification of a proper non-statutory rationale in a non-final office action is warranted and proper if the 101 rejections are not withdrawn. The undersigned is available via telephone at 509-624-4276 to discuss the 101 rejections if desired by the Office.

Turning to the rejections under 35 USC 112, second paragraph, Applicant respectfully submits the claims are understood by one of skill in the art in their present form, especially when considered in view of the illustrative embodiments of the present invention, and accordingly the indefiniteness rejections are improper.

35 U.S.C. §112, second paragraph, requires that the claims particularly point out and distinctly claim the subject matter that the patent applicant regards as his or her invention. "Distinctly" has been interpreted to mean simply that the claim must have a clear and definite meaning *when construed in the light of the complete patent document*. *Standard Oil Co. v. American Cyanamid Co.*, 774 F.2d 448, 227 USPQ 293 (Fed. Cir. 1985).

Further,

{t}he definiteness of the claim language employed must not be analyzed in a vacuum, but always in light of the teachings of the prior

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art and of the particular application disclosure as it would be interpreted by one having ordinary skill in the pertinent art.

Ex Parte Moelands, 3 USPQ2d 1474, 1476 (P.T.O. Bd. App. & Int'f 1987). See also, *Shatterproof Glass Corp. v. Libbey-Owens Ford Co.*, 225 USPQ 634, 641 (Fed. Cir. 1985).

It is stated in MPEP §2173.04 (8th ed., rev. 2) that *if the scope of the subject matter embraced by the claims is clear and if applicants have not otherwise indicated that they intend the invention to be of a scope different from that defined in the claims, the claims comply with 35 U.S.C. §112, second paragraph*. In no way have Applicants indicated that they intend the invention to be of a scope different from that defined in the claims. To the contrary, the claims as filed define the appropriate scope of certain aspects of the invention and Applicant has particularly pointed out and distinctly claimed the subject matter which the Applicant regards as his invention in accordance with 35 U.S.C. §112, second paragraph.

MPEP §2173.02 (8th ed., rev. 2) states the essential inquiry pertaining to a §112, second paragraph requirement is whether the claims set out and circumscribe a particular subject matter with a reasonable degree of clarity and particularity. Definiteness of claim language must be analyzed, not in a vacuum, but in light of:

- (A) the content of the particular application disclosure;
- (B) the teachings of the prior art; and
- (C) the claim interpretation that would be given by one possessing the ordinary level of skill in the pertinent art at the time the invention was made.

In reviewing a claim for compliance with 35 U.S.C. §112, second paragraph, the Examiner must consider the claim as a whole to determine whether the claim apprises one of ordinary skill in the art of its scope and, therefore, serves the notice function required by 35 U.S.C. §112, second paragraph (citations omitted) MPEP §2173.02 (8th ed. rev. 2).

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Applicant submits that the claims are clear and definite on their face. Moreover, one of ordinary skill in the art with the opportunity to consider and review the contents of the application disclosure pursuant to the above authority would clearly understand the language of the claims. A fundamental principle contained in 35 U.S.C. 112, second paragraph is that applicants are their own lexicographers [and] [t]hey can define in the claims what they regard as their invention essentially in whatever terms they choose. MPEP 52173.01 (8th ed., rev. 2).

Referring to page 2 of the Action, the Office alleges that "check" is confusing. The Office further asks what is a check with a money value/credit value. In response, Applicant refers the Examiner to the originally-filed specification in accordance with the MPEP. More specifically, exemplary checks are described starting at page 3, lines 22+ of the specification. Applicant respectfully submits that one of ordinary skill in the art would understand the usage of "check" in the claims especially when considered in view of the illustrative embodiments of the specification. With respect to the digital signing and digital countersigning limitations, Applicant respectfully refers the Office to the exemplary embodiments of the specification at page 7, lines 19+ and page 9, lines 15+. Applicants submit herewith dictionary definitions of "digital signature," "digital signature algorithms," and "digital signature standard." Digital signing and countersigning are understood in the art and the operations thereof are readily understood in the art. Validation of signatures is discussed in one example at page 10, lines 3+ of the specification. In addition, analysis to determine whether an email has an associated check is performed in the example at page 5, lines 9+ of the specification. Applicant respectfully asserts that the claims are definite to one of ordinary skill in the art especially when properly considered in view of the examples of the specification as specified by the MPEP. Applicant respectfully requests withdrawal of the 112, second paragraph rejections in the next Action.

Further with respect to the 112 rejections, Applicants also note that claims 8-10 are void of any recitation of "check." Accordingly, it is believed that the rejection of such claims under 112, second paragraph is improper.

It is to be understood that any described arrangements, methodologies and associated remarks with respect to the indefiniteness rejections are only for

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purposes of illustrating that the above-identified terms are definite to one of skill in the art and are not to be considered limiting to the respective claims. Other additional arrangements and methodologies are possible and encompassed by the claims.

The undersigned is available via telephone at 509-624-4276 to discuss the 112, second paragraph, rejections if desired by the Office.

Referring to the anticipation rejections, Applicant notes the requirements of MPEP §2131 (8th ed., rev. 2), which states that TO ANTICIPATE A CLAIM, THE REFERENCE MUST TEACH EVERY ELEMENT OF THE CLAIM. The identical invention must be shown in as complete detail as is contained in the claim. *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989). The elements must be arranged as required by the claim. *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990).

Claim 1 positively recites numerous limitations which are not disclosed in the prior art and claim 1 is allowable. LaMacchia's disclosure at pages 80+ baldly refer to a payment system devoid of disclosing limitations of claim 1. More specifically, claim 1 recites specifying a requirement for a check having a predetermined value to be attached to an electronic mail. Applicant has failed to uncover any teachings of specifying a requirement for a check having a predetermined value and to be attached to an electronic mail as claimed.

Further, Applicant has failed to uncover any teaching in the generic payment system of LaMacchia of accepting the electronic mail if the electronic mail comprises the check. Other payment systems apart from Applicant's claimed method are possible illustrating the erroneous nature of the 102 rejection over LaMacchia. The generic payment system of LaMacchia fails to disclose the claimed conditional acceptance recited in claim 1 and the rejection of claim 1 is improper for at least this reason.

The above-recited authority states that limitations of claim 1 *must be arranged in the prior art as recited by the claims*. Applicant has failed to identify any teachings regarding the above-recited limitations and the 102 rejection is improper for at least this reason. Applicant respectfully requests of allowance of claim 1 in the next Action for at least this reason.

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Referring to the 103 rejection of claim 1, Applicant respectfully and timely traverses the taking of Official Notice. More specifically, the undersigned hereby traverses and seasonably challenges any reliance upon Official Notice pursuant to MPEP 52144.03 (8th ed., rev. 2), and requests the Examiner cite a reference or affidavit in support of his or her position in a non-final Action if claim 1 is not allowed.

MPEP 2144.03A (8th ed., rev. 2) provides that *official notice unsupported by documentary evidence should only be taken by the examiner when the facts asserted to be well known or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well known. It is not appropriate for the Office to take office notice of facts without a reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known.*

The Examiner is reminded that the facts constituting the state of the art are normally subject to the possibility of rationale disagreement among reasonable men and are not amenable to the taking of judicial notice. See *In re Eynde*, 480F.2d 1364, 1370, 178 USPQ 470, 474 (CCPA 1973). The Examiner is also reminded that claims are analyzed in the context of the combination of the various separately stated limitations, and not with respect to the limitations individually. Pursuant to MPEP 52144.03 (8th ed., rev. 2), Applicant hereby demands evidence with respect to what the Examiner apparently relies upon as being "well-known."

Further with respect to the 103 rejection of claim 1, to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. See, e.g., MPEP 52143 (8th ed., rev. 2).

Applicant asserts the alleged motivation on page 4 of the Action "to solve the same problems that are associated with electronic and/or paper check payments" is insufficient. In particular, preferably, the Examiner's explanation should be such that it provides that impetus necessary to cause one skilled in the

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art to combine the teachings of the references to make the proposed modification. *Ex Parte Levengood*, 28 USPQ2d, 1300, 1301, Footnote 2, (Bd. Pat. App. and Inter. 1993) (citations omitted). The Examiner cannot establish obviousness by locating references which describe various aspects of a patent applicant's inventions without also providing evidence of the motivational force which would impel one skilled in the art to do what the patent applicant has done. *Ex Parte Levengood* 28 USPQ2d 1300, 1302. (Bd. Pat. App. & Inter. 1993). The mere fact that references *can* be combined or modified does not render the resultant combination obvious *unless the prior art also suggests the desirability of the combination*. MPEP §2143.01(8th ed., rev. 2) citing *In re Mills*, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990).

The Federal Circuit discussed proper motivation *In re Lee*, 61 USPQ 2d 1430 (Fed. Cir. 2002). The motivation identified in the Office Action is akin to the conclusory statements set forth in *In re Lee* which were found to fail to provide the requisite motivation to support an obviousness rejection. The Court in *In re Lee* stated the factual inquiry whether to combine references must be thorough and searching. It must be based on objective evidence of record. The Court in *In re Fritch*, 23 USPQ 2d 1780, 1783 (Fed. Cir. 1992) stated motivation is provided only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. The *Lee* Court stated that the Examiner's conclusory statements in the *Lee* case do not adequately address the issue of motivation to combine. The Court additionally stated that the factual question of motivation is material to patentability and can not be resolved on subjective belief and unknown authority. The Court also stated that deficiencies of cited references cannot be remedied by general conclusions about what is basic knowledge or common sense. The Court further stated that the determination of patentability must be based on evidence.

In the instant case, the record is entirely devoid of any evidence to support motivation to combine the teachings apart from the bald conclusory statements of the Examiner which are insufficient for proper motivation as set forth by the Federal Circuit. The mere fact that plural references *may be combined* is not sufficient without the proper impetus for one to make the proposed combination. The Office

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has failed to establish a proper 103 rejection without the proper motivation and claim 1 is allowable for this additional reason.

Further, even if the references are combined, positively recited limitations are not disclosed nor suggested by the combined prior art. Applicant has failed to uncover any teachings in the prior art of specifying a requirement for a check having a predetermined value to be attached to an electronic mail or accepting the electronic mail if the electronic mail comprises the check. Positively recited limitations of the claims are not disclosed nor suggested by the art even if the references are combined and the Office has failed to establish a proper prima facie 103 rejection for at least this additional reason.

Applicants have identified herein numerous claimed limitations which are not disclosed nor suggested by the teachings of the prior art identified by the Office. In the event that a rejection of claim 1 is maintained with respect to the prior art, or a new rejection made, Applicants respectfully request identification *in a non-final action* of elements which allegedly correspond to limitations of the claims in accordance with 37 C.F.R §1.104(c)(2). In particular, 37 C.F.R §1.104(c)(2) provides that *the pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified*. Further, 37 C.F.R. §1.104(c)(2) states that the Examiner must cite the best references at their command. *When a reference is complex or shows or describes inventions other than that claimed by Applicants, the particular teachings relied upon must be designated as nearly as practicable*. Applicants respectfully request clarification of the rejections with respect to specific references and specific reference teachings therein pursuant to 37 C.F.R. §1.104(c)(2) in a *non-final Action* if claim 1 is not found to be allowable.

Further, Applicant submits that the pending Office Action clearly fails the regulatory mandate of 37 CFR 1.104(b) that "the examiner's action will be complete as to all matters." Moreover, MPEP §706.07 (8th ed., revision no. 2) states that the examiner should never lose sight of the fact that in every case the applicant is entitled to a full and fair hearing, and that a clear issue between applicant and examiner should be developed, if possible, before appeal. Without providing a *non-final* office action to provide Applicant with an opportunity to argue against a subsequently provided specific identification of prior art teachings relied upon by the Office in formulating the rejection, Applicant would be denied a full and

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fair hearing and denied an opportunity to develop a clear issue with the Examiner. Accordingly, if claim 1 is not allowed, identification of specific prior art teachings and the Office's response to the timely traversal of the taking of Official Notice in a non-final office action is warranted and proper.

The claims which depend from independent claim 1 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the 103 rejection of claim 8, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 8 is allowable for this additional reason.

Even if the references are combined, Applicant has failed to uncover any teachings in the prior art of the claimed *specifying the requirement for the predetermined value to be attached to the communication* or the *evaluation of the communication if the communication comprises the predetermined value*. Positively recited limitations of claim 8 are not disclosed nor suggested by the prior art and claim 8 is allowable for this additional reason.

If claim 8 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 8 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 11, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 11 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed *electronic mail service provider verifying that the electronic mail comprises a check having a value, the electronic mail service provider requesting the clearinghouse to*

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place a hold on a sender account associated with the check, the electronic mail service provider receiving a status of the hold, and the electronic mail service provider processing the electronic mail in response to the status of the hold. Positively recited limitations of claim 11 are not disclosed nor suggested by the prior art and claim 11 is allowable for this additional reason.

If claim 11 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 11 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 17, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 17 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed *verifying that the electronic mail comprises a check having a predetermined value and an expiration date, verifying that the expiration date is adequate to process the check; verifying that the recipient can countersign the check, the electronic mail service provider receiving a status of the hold, if the hold has not been instituted, the electronic mail service provider sending the electronic mail to the sender, if the hold has been instituted, the electronic mail service provider forwarding the electronic mail to the client electronic mail, the client electronic mail countersigning the check with a countersignature, the client electronic mail transmitting the check to the clearinghouse along with a new hold status request, verifying that the hold is active, verifying the countersignature, if the new hold status request indicates a value transfer, transferring value from the sender account to a recipient account, and if the new hold status request indicates a release of the hold, releasing the hold on the sender account.* Positively recited limitations of claim 17 are not disclosed nor suggested by the prior art and claim 17 is allowable for this additional reason.

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If claim 17 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 17 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 20, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 20 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed receiving an electronic mail and *verifying that the electronic mail comprises a check having a predetermined value and an expiration date*. Positively recited limitations of claim 20 are not disclosed nor suggested by the prior art and claim 20 is allowable for this additional reason.

If claim 20 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 20 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 22, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 22 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed *verifying validity of the sender's signature of an electronic mail check*, verifying that the *expiration date of the electronic mail check has not expired*, and verifying that the *transaction identification of the electronic mail check is unique to that particular*

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check. Positively recited limitations of claim 22 are not disclosed nor suggested by the prior art and claim 22 is allowable for this additional reason.

If claim 22 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 22 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 26, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 26 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed *receiving an electronic mail from the sender through an electronic mail service provider, the electronic mail comprising a check having a predetermined value, a sender's signature, and a transaction identification*. Positively recited limitations of claim 26 are not disclosed nor suggested by the prior art and claim 26 is allowable for this additional reason.

If claim 26 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

Referring to the rejection of claim 27, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 27 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed *clearinghouse that processes a check that is coupled to an electronic mail that was sent by a sender to an intended recipient, the clearinghouse generating a check status in response to the processing, and an electronic mail service provider that transmits the electronic mail to either the intended recipient or back to the sender in*

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response to the check status. Positively recited limitations of claim 27 are not disclosed nor suggested by the prior art and claim 27 is allowable for this additional reason.

If claim 27 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

The claims which depend from independent claim 27 are in condition for allowance for the reasons discussed above with respect to the independent claim as well as for their own respective features which are neither shown nor suggested by the cited art.

Referring to the rejection of claim 31, Applicant traverses the taking of Official Notice. Further, there is no motivation to combine the reference teachings and the Office has failed to establish a proper prima facie 103 rejection and claim 31 is allowable for this additional reason.

Applicant has failed to uncover any teachings in the prior art of the claimed means for verifying validity of the sender's signature, means for *verifying that the expiration date of a check attached to electronic mail has not expired*, means for *verifying that the transaction identification of a check attached to electronic mail is unique to that particular check*, means for verifying that the sender's account has sufficient value to match the check's predetermined value, and means for instituting a hold on the sender's account for an amount substantially equal to the predetermined value. Positively recited limitations of claim 31 are not disclosed nor suggested by the prior art and claim 31 is allowable for this additional reason.

Referring to the 102 rejection over Josephson, in relying upon the theory of inherency, the **Office must provide a basis in fact and/or technical reasoning** to reasonably support the determination that the allegedly *inherent characteristics necessarily flow from the teachings of the applied prior art*. *Ex parte Levy*, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990). The basis in fact and technical reasoning are absent from the Action and the reliance upon inherency is improper for at least this reason.

Further with respect to the rejection over Josephson and the allegation on page 3 of the Action that the preamble is not claim limiting, Applicant refers to

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M.P.E.P. §2111.02 which states that if the claimed preamble when read in the context of the entire claim recites limitations of the claim or if the claim preamble is necessary to give life, meaning and vitality to the claim, then the claim preamble should be construed as if in the balance of claim. It is further stated that any terminology in the preamble that limits the structure of the claimed invention must be treated as a claim limitation. The Federal Circuit in *Corning Glassworks vs. Sumitomo Elec. USA, Inc.*, 9 USPQ 2d 1962, 1966 (Fed. Cir. 1989) stated that the determination of whether preamble recitations are structural limitations can be resolved only on review of the entirety of the application to gain an understanding of *what the inventors actually invented and intended to encompass by the claim. Inasmuch as the body of claim 31 refers to explicit limitations of the preamble, it is clear the preamble gives life, meaning and vitality to the claim and limits the structure of the body of the claim.* Applicant respectfully submits the preamble is claim limiting for at least the above-mentioned compelling reasons.

If claim 31 is not allowed and in accordance with the above-recited CFR and MPEP authority, Applicant respectfully requests the issuance of a non-final Action to cure the deficiencies of the present Action so Applicant may appropriately respond during the prosecution of this application.

Applicant hereby adds new claims 32-40 which are supported at least by the specification at page 3, lines 22+ and Figs. 1, 2, 7 and 8 and the respective specification teachings thereof.

Applicant respectfully requests allowance of all pending claims.

The Examiner is requested to phone the undersigned if the Examiner believes such would facilitate prosecution of the present application. The undersigned is available for telephone consultation at any time during normal business hours (Pacific Time Zone).

Respectfully submitted,

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